

CHAPTER 183**ENTERPRISE ZONE DISTRESS CRITERIA***H.F. 648*

AN ACT relating to distress criteria for enterprise zones.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 15E.194, subsection 5, paragraph a, Code 2007, is amended to read as follows:

a. A city of any size or any county may designate an enterprise zone at any time prior to July 1, 2010, when a business closure or permanent layoff occurs involving. The business closure or permanent layoff must involve the loss of full-time employees, not including retail employees, at one place of business totaling at least one thousand employees or four percent or more of the county's resident labor force based on the most recent annual resident labor force statistics from the department of workforce development, whichever is lower. A permanent layoff does not include a layoff of seasonal employees or a layoff that is seasonal in nature. For purposes of this paragraph, "permanent layoff" means the loss of jobs to an out-of-state location, the cessation of one or more production lines, the removal of manufacturing machinery and equipment, or similar actions determined to be equivalent in nature by the department. A permanent layoff must occur on or after February 1, 2007. The enterprise zone may be established on the property of the place of business that has closed or imposed a permanent layoff and the enterprise zone may include an area up to an additional three miles adjacent to the property. The area meeting the requirements for enterprise zone eligibility under this subsection shall not be included for the purpose of determining the area limitation pursuant to section 15E.192, subsection 4. The closing business or business creating a permanent layoff shall not be eligible to receive incentives or assistance under this division. An eligible housing business under section 15E.193B shall not receive incentives or assistance for a home or multiple dwelling unit built or rehabilitated in an enterprise zone designated pursuant to this subsection.

Approved May 24, 2007

CHAPTER 184**SPECIAL MOTOR VEHICLE REGISTRATION PLATES —
MILITARY SERVICE AND EMERGENCY MEDICAL SERVICES***H.F. 749*

AN ACT concerning existing and new special motor vehicle registration plates associated with military service, crediting fees from the sale of certain special motor vehicle registration plates to the emergency medical services fund and the veterans license fee fund, and providing effective dates.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 35A.11, Code 2007, is amended to read as follows:

35A.11 VETERANS LICENSE FEE FUND.

A veterans license fee fund is created in the state treasury under the control of the commission. The fund shall include the fees credited by the treasurer of state from the sale of special veteran license plates pursuant to section 321.34, subsection 13, paragraph "d". Notwithstand-

ing section 12C.7, interest or earnings on moneys in the veterans license fee fund shall be credited to the veterans license fee fund. Moneys in the fund are appropriated to the commission to be used to fulfill the responsibilities of the commission. The fund shall include the fees credited by the treasurer of state from the sale of the following special motor vehicle registration plates:

1. Veteran special plates issued pursuant to section 321.34, subsection 13, paragraph "d".
2. National guard special plates issued pursuant to section 321.34, subsection 16.
3. Pearl Harbor special plates issued pursuant to section 321.34, subsection 17.
4. Purple heart special plates issued pursuant to section 321.34, subsection 18.
5. United States armed forces retired special plates issued pursuant to section 321.34, subsection 19.
6. Silver star and bronze star special plates issued pursuant to section 321.34, subsection 20.
7. Distinguished service cross, navy cross, and air force cross special plates issued pursuant to section 321.34, subsection 20A.
8. Soldier's medal, navy and marine corps medal, and airman's medal special plates issued pursuant to section 321.34, subsection 20B.

Sec. 2. Section 321.34, subsection 8, Code 2007, is amended to read as follows:

8. CONGRESSIONAL MEDAL OF HONOR PLATES. The owner of a motor vehicle subject to registration under section 321.109, subsection 1, motorcycle, trailer, or motor truck who has been awarded the congressional medal of honor may, upon written application to the department, order special registration plates which shall be red, white, and blue in color and shall bear an emblem of the congressional medal of honor and an identifying number. Each applicant applying for special registration plates under this subsection may purchase only one set of registration plates under this subsection. The application is subject to approval by the department and the special registration plates shall be issued to the applicant in exchange for the registration plates previously issued to the person. The special plates are subject to an annual registration fee of fifteen dollars. The department shall validate the special plates in the same manner as regular registration plates are validated under this section. The department shall not issue special registration plates until service organizations in the state have furnished the department either the special dies or the cost of the special dies necessary for the manufacture of the special registration plate.

The surviving spouse of a person who was issued special plates under this subsection may continue to use the special plates subject to registration of the special plates in the surviving spouse's name and upon payment of the fifteen dollar annual registration fee. If the surviving spouse remarries, the surviving spouse shall return the special plates to the department and the department shall issue regular registration plates to the surviving spouse.¹

Sec. 3. Section 321.34, subsection 10A, Code 2007, is amended to read as follows:

10A. EMERGENCY MEDICAL SERVICES PLATES.

a. The owner of a motor vehicle ~~subject to registration pursuant to section 321.109, subsection 1, motor truck, motor home, multipurpose vehicle, motorcycle, trailer, or travel trailer referred to in subsection 12~~ who is a current member of a paid or volunteer emergency medical services agency may, upon written application to the department, order special registration plates, designed by the department in cooperation with representatives designated by the Iowa emergency medical services association, which plates signify that the applicant is a current member of a paid or volunteer emergency medical services agency. The application shall be approved by the department, in consultation with representatives designated by the Iowa emergency medical services association, and the special registration plates shall be issued to the applicant in exchange for the registration plates previously issued to the person. The fee for the special plates ~~shall be~~ is twenty-five dollars which ~~shall be~~ is in addition to the regular annual registration fee. The department shall validate the special plates in the same manner as regular registration plates are validated under this section at the regular annual registration fee.

¹ See chapter 215, §106 herein

b. The special fees collected by the director under this subsection shall be paid monthly to the treasurer of state and credited to the road use tax fund. Notwithstanding section 423.43, and prior to the crediting of revenues to the road use tax fund under section 423.43, subsection 1, paragraph "b", the treasurer of state shall transfer monthly from those revenues to the emergency medical services fund created in section 135.25 the amount of the special fees collected in the previous month for issuance of emergency medical services plates.

Sec. 4. Section 321.34, subsections 12A, 16, 17, 18, 19, and 20, Code 2007, are amended to read as follows:

12A. SPECIAL REGISTRATION PLATES — ARMED FORCES SERVICES.

a. An owner of a vehicle referred to in subsection 12 who applies for any type of special registration plates associated with service in the United States armed forces shall be issued one set of the special registration plates at no charge, but shall be subject to the annual registration fee of fifteen dollars, if all of the following conditions are met:

a. (1) The owner is eligible for, but has relinquished to the department or the county treasurer or has not been issued, congressional medal of honor, ex-prisoner of war, or legion of merit special registration plates under this section, or disabled veteran registration plates under section 321.105.

b. (2) The owner provides the appropriate information regarding the owner's eligibility for any of the special registration plates described in paragraph "a", and regarding the owner's eligibility for the special registration plates for which the owner has applied, as required by the department.

b. A disabled veteran shall be exempt from payment of the fifteen dollar annual registration fee as provided in section 321.105.

~~Upon the death of the vehicle owner entitled to the special registration plates, the special registration plates shall be surrendered to the department or the county treasurer.~~

c. The surviving spouse of a person who was issued special plates under this subsection may continue to use the special plates subject to registration of the special plates in the surviving spouse's name and upon payment of the same annual registration fee. If the surviving spouse remarries, the surviving spouse shall return the special plates to the department and the department shall issue regular registration plates to the surviving spouse.²

16. NATIONAL GUARD SPECIAL PLATES. An owner referred to in subsection 12 who is a member of the national guard, as defined in chapter 29A, may, upon written application to the department, order special registration plates with a national guard processed emblem with the emblem designed by the department in cooperation with the adjutant general which emblem signifies that the applicant is a member of the national guard. The application shall be approved by the department in consultation with the adjutant general. The special plate fees collected by the director under subsection 12, paragraph "a", from the issuance and annual validation of letter-number designated and personalized national guard plates shall be paid monthly to the treasurer of state and credited to the road use tax fund. Notwithstanding section 423.43, and prior to the crediting of revenues to the road use tax fund under section 423.43, subsection 1, paragraph "b", the treasurer of state shall transfer monthly from those revenues to the veterans license fee fund created in section 35A.11 the amount of the special fees collected in the previous month for national guard plates. Special registration plates with a national guard processed emblem shall be surrendered, as provided in subsection 12, in exchange for regular registration plates upon termination of the owner's membership in the active national guard.

The surviving spouse of a person who was issued special plates under this subsection may continue to use or apply for and use the special plates subject to registration of the special plates in the surviving spouse's name and upon payment of the annual five-dollar special plate fee and the regular annual registration fee for the vehicle. If the surviving spouse remarries, the surviving spouse shall return the special plates to the department and the department shall issue regular registration plates to the surviving spouse.

17. PEARL HARBOR SPECIAL PLATES. An owner referred to in subsection 12 who was

² See chapter 215, §107 herein

at Pearl Harbor, Hawaii, as a member of the armed services of the United States on December 7, 1941, may, upon written application to the department, order special registration plates with a Pearl Harbor processed emblem. The emblem shall be designed by the department in consultation with service organizations. The application is subject to approval by the department. The special plate fees collected by the director under subsection 12, paragraph "a", from the issuance and annual validation of letter-number designated and personalized Pearl Harbor plates shall be paid monthly to the treasurer of state and credited to the road use tax fund. Notwithstanding section 423.43, and prior to the crediting of revenues to the road use tax fund under section 423.43, subsection 1, paragraph "b", the treasurer of state shall transfer monthly from those revenues to the veterans license fee fund created in section 35A.11 the amount of the special fees collected in the previous month for Pearl Harbor plates.

The surviving spouse of a person who was issued special plates under this subsection may continue to use or apply for and use the special plates subject to registration of the special plates in the surviving spouse's name and upon payment of the annual five-dollar special plate fee and the regular annual registration fee for the vehicle. If the surviving spouse remarries, the surviving spouse shall return the special plates to the department and the department shall issue regular registration plates to the surviving spouse.

18. PURPLE HEART SPECIAL PLATES. An owner referred to in subsection 12 who was awarded a purple heart medal by the United States government for wounds received in military or naval combat against an armed enemy of the United States may, upon written application to the department and presentation of satisfactory proof of the award of the purple heart medal, order special registration plates with a purple heart processed emblem. The design of the emblem shall include a representation of a purple heart medal and ribbon. The application is subject to approval by the department in consultation with the adjutant general. The special plate fees collected by the director under subsection 12, paragraph "a", from the issuance and annual validation of letter-number designated and personalized purple heart plates shall be paid monthly to the treasurer of state and credited to the road use tax fund. Notwithstanding section 423.43, and prior to the crediting of revenues to the road use tax fund under section 423.43, subsection 1, paragraph "b", the treasurer of state shall transfer monthly from those revenues to the veterans license fee fund created in section 35A.11 the amount of the special fees collected in the previous month for purple heart plates.

The surviving spouse of a person who was issued special plates under this subsection may continue to use or apply for and use the special plates subject to registration of the special plates in the surviving spouse's name and upon payment of the annual five-dollar special plate fee and the regular annual registration fee for the vehicle. If the surviving spouse remarries, the surviving spouse shall return the special plates to the department and the department shall issue regular registration plates to the surviving spouse.

19. UNITED STATES ARMED FORCES RETIRED SPECIAL PLATES. An owner referred to in subsection 12 who is a retired member of the United States armed forces may, upon written application to the department and upon presentation of satisfactory proof of membership, order special registration plates with a United States armed forces retired processed emblem. The emblem shall be designed by the department in consultation with service organizations. The application is subject to approval by the department. For purposes of this subsection, a person is considered to be retired if the person is recognized by the United States armed forces as retired from the United States armed forces. The special plate fees collected by the director under subsection 12, paragraph "a", from the issuance and annual validation of letter-number designated and personalized armed forces retired plates shall be paid monthly to the treasurer of state and credited to the road use tax fund. Notwithstanding section 423.43, and prior to the crediting of revenues to the road use tax fund under section 423.43, subsection 1, paragraph "b", the treasurer of state shall transfer monthly from those revenues to the veterans license fee fund created in section 35A.11 the amount of the special fees collected in the previous month for armed forces retired plates.

The surviving spouse of a person who was issued special plates under this subsection may continue to use or apply for and use the special plates subject to registration of the special

plates in the surviving spouse's name and upon payment of the annual five-dollar special plate fee and the regular annual registration fee for the vehicle. If the surviving spouse remarries, the surviving spouse shall return the special plates to the department and the department shall issue regular registration plates to the surviving spouse.

20. SILVER OR BRONZE STAR PLATES. An owner referred to in subsection 12 who was awarded a silver or a bronze star by the United States government, may, upon written application to the department and presentation of satisfactory proof of the award of the silver or bronze star, order special registration plates with a silver or bronze star processed emblem. The emblem shall be designed by the department in consultation with the adjutant general. The special plate fees collected by the director under subsection 12, paragraph "a", from the issuance and annual validation of letter-number designated and personalized silver star and bronze star plates shall be paid monthly to the treasurer of state and credited to the road use tax fund. Notwithstanding section 423.43, and prior to the crediting of revenues to the road use tax fund under section 423.43, subsection 1, paragraph "b", the treasurer of state shall transfer monthly from those revenues to the veterans license fee fund created in section 35A.11 the amount of the special fees collected in the previous month for silver star and bronze star plates.

The surviving spouse of a person who was issued special plates under this subsection may continue to use or apply for and use the special plates subject to registration of the special plates in the surviving spouse's name and upon payment of the annual five-dollar special plate fee and the regular annual registration fee for the vehicle. If the surviving spouse remarries, the surviving spouse shall return the special plates to the department and the department shall issue regular registration plates to the surviving spouse.

Sec. 5. Section 321.34, Code 2007, is amended by adding the following new subsections:

NEW SUBSECTION. 20A. DISTINGUISHED SERVICE, NAVY, OR AIR FORCE CROSS PLATES. An owner referred to in subsection 12 who was awarded a distinguished service cross, a navy cross, or an air force cross by the United States government may, upon written application to the department and presentation of satisfactory proof of the award, order special registration plates with a distinguished service cross, navy cross, or air force cross processed emblem. The emblem shall be designed by the department in consultation with the adjutant general. The special plate fees collected by the director under subsection 12, paragraph "a", from the issuance and annual validation of letter-number designated and personalized distinguished service cross, navy cross, and air force cross plates shall be paid monthly to the treasurer of state and credited to the road use tax fund. Notwithstanding section 423.43, and prior to the crediting of revenues to the road use tax fund under section 423.43, subsection 1, paragraph "b", the treasurer of state shall transfer monthly from those revenues to the veterans license fee fund created in section 35A.11 the amount of the special fees collected in the previous month for distinguished service cross, navy cross, and air force cross plates.

The surviving spouse of a person who was issued special plates under this subsection may continue to use or apply for and use the special plates subject to registration of the special plates in the surviving spouse's name and upon payment of the annual five-dollar special plate fee and the regular annual registration fee for the vehicle. If the surviving spouse remarries, the surviving spouse shall return the special plates to the department and the department shall issue regular registration plates to the surviving spouse.

NEW SUBSECTION. 20B. SOLDIER'S, NAVY AND MARINE CORPS, OR AIRMAN'S MEDAL PLATES. An owner referred to in subsection 12 who was awarded a soldier's medal, a navy and marine corps medal, or an airman's medal by the United States government may, upon written application to the department and presentation of satisfactory proof of the award, order special registration plates with a soldier's medal, navy and marine corps medal, or airman's medal processed emblem. The emblem shall be designed by the department in consultation with the adjutant general. The special plate fees collected by the director under subsection 12, paragraph "a", from the issuance and annual validation of letter-number designated and personalized soldier's medal, navy and marine corps medal, and airman's medal

plates shall be paid monthly to the treasurer of state and credited to the road use tax fund. Notwithstanding section 423.43, and prior to the crediting of revenues to the road use tax fund under section 423.43, subsection 1, paragraph "b", the treasurer of state shall transfer monthly from those revenues to the veterans license fee fund created in section 35A.11 the amount of the special fees collected in the previous month for soldier's medal, navy and marine corps medal, and airman's medal plates.

The surviving spouse of a person who was issued special plates under this subsection may continue to use or apply for and use the special plates subject to registration of the special plates in the surviving spouse's name and upon payment of the annual five-dollar special plate fee and the regular annual registration fee for the vehicle. If the surviving spouse remarries, the surviving spouse shall return the special plates to the department and the department shall issue regular registration plates to the surviving spouse.

Sec. 6. Section 321.166, subsections 2 and 9, Code 2007, are amended to read as follows:

2. Every registration plate or pair of plates shall display a registration plate number which shall consist of alphabetical or numerical characters or a combination thereof and the name of this state, which may be abbreviated. Every registration plate issued by the county treasurer shall display the name of the county, including any plate issued pursuant to section 321.34, except Pearl Harbor and purple heart registration plates issued prior to January 1, 1997, and collegiate, fire fighter, and congressional medal of honor registration plates. Special truck registration plates shall display the word "special".

9. Special registration plates issued pursuant to section 321.34 beginning January 1, 1997, other than congressional medal of honor, collegiate, fire fighter, and natural resources registration plates, shall be consistent with the design and color of regular registration plates but shall provide a space on a portion of the plate for the purpose of allowing the placement of a distinguishing processed emblem. Special registration plates shall also comply with the requirements for regular registration plates as provided in this section to the extent the requirements are consistent with the section authorizing a particular special vehicle registration plate.

Sec. 7. EFFECTIVE DATES.

1. The following provisions of this Act take effect January 1, 2008:

a. The portion of the section of this Act amending section 35A.11 that enacts new subsections 7 and 8.

b. The section of this Act amending section 321.34 by adding new subsections 20A and 20B.

2. The remaining sections of this Act, being deemed of immediate importance, take effect upon enactment.

Approved May 24, 2007

CHAPTER 185**TAXATION — INDIVIDUAL INCOME WITHHOLDING —
LOAN AGENCIES TAX***H.F. 904*

AN ACT relating to withholding tax and the repeal of the loan agencies tax.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 331.401, subsection 1, paragraph k, Code 2007, is amended to read as follows:

k. Levy taxes as certified to it by tax-certifying bodies in the county, in accordance with the statutes authorizing the levies and in accordance with chapter 24 and sections 444.1 to 444.8, and levy taxes as required in chapters ~~430A~~, 433, 434, 437, and 438.

Sec. 2. Section 331.427, subsection 1, unnumbered paragraph 1, Code 2007, is amended to read as follows:

Except as otherwise provided by state law, county revenues from taxes and other sources for general county services shall be credited to the general fund of the county, including revenues received under sections 91.11, 101A.3, 101A.7, 123.36, 123.143, 142B.6, 176A.8, 321.105, 321.152, 321G.7, 321I.8, section 331.554, subsection 6, sections 341A.20, 364.3, 368.21, 423A.7, 428A.8, ~~430A.3~~, 433.15, 434.19, 445.57, 453A.35, 458A.21, 483A.12, 533.24, 556B.1, 583.6, 602.8108, 904.908, and 906.17, and the following:

Sec. 3. Section 422.16, subsection 1, unnumbered paragraph 1, Code 2007, is amended to read as follows:

Every withholding agent and every employer as defined in this chapter and further defined in the Internal Revenue Code, with respect to income tax collected at source, making payment of wages to a nonresident employee working in Iowa, or to a resident employee, shall deduct and withhold from the wages an amount which will approximate the employee's annual tax liability on a calendar year basis, calculated on the basis of tables to be prepared by the department and schedules or percentage rates, based on the wages, to be prescribed by the department. Every employee or other person shall declare to the employer or withholding agent the number of the employee's or other person's personal exemptions and dependency exemptions or credits to be used in applying the tables and schedules or percentage rates. However, no greater number of personal or dependency exemptions or credits may be declared by the employee or other person than the number to which the employee or other person is entitled except as allowed under section sections 3402(m)(1) and 3402(m)(3) of the Internal Revenue Code and as allowed for the child and dependent care credit provided in section 422.12C. The claiming of exemptions or credits in excess of entitlement is a serious misdemeanor.

Sec. 4. Section 441.73, subsection 1, Code 2007, is amended to read as follows:

1. A litigation expense fund is created in the state treasury. The litigation expense fund shall be used for the payment of litigation expenses incurred by the state to defend property valuations established by the director of revenue pursuant to section 428.24 and chapters ~~430A~~, 433, 434, 437, 437A, and 438, and for the payment of litigation expenses incurred by the state to defend the imposition of replacement taxes and statewide property taxes under chapter 437A.

Sec. 5. Section 445.3, unnumbered paragraph 2, Code 2007, is amended to read as follows:

The commencement of actions for ad valorem taxes authorized under this section shall not begin until the issuance of a tax sale certificate under the requirements of section 446.19. The commencement of actions for all other taxes authorized under this section shall not begin until ten days after the publication of tax sale under the requirements of section 446.9, subsection 2. This paragraph does not apply to the collection of ad valorem taxes under section 445.32,